

October 6, 2009

WASHINGTON, DC - Today, U.S. Representative Daniel Maffei (NY-25) led a letter to Congressional leaders, with U.S. Representative Michael Arcuri (NY-24), U.S. Representative Scott Murphy and 17 other members of the House asking Speaker Nancy Pelosi and House Majority Leader Steny Hoyer to exclude a tax on medical devices in health care reform legislation.

While the House is not currently considering such a tax, Senator Max Baucus, Chair of the Senate Finance Committee, has included a \$40 billion tax over 10 years on medical devices in his proposed version of health care reform legislation.

The letter expressed concerns about the potential impact of a tax on the medical devices industry, a field that employs more than 350,000 workers across the country, many of which work in small firms that employ less than 100. In these difficult economic times, it is critical we find ways to reform the health care industry that will not place undue burdens on support companies or slow research and development in the medical field.

The proposed Senate legislation would have a negative impact on companies like Welch Allyn in Skaneateles, ConMed in Utica, Transonic outside of Ithaca, Covidien in Oriskany Falls and several others across Upstate New York.

Congressman Maffei said: "I want to thank my colleagues for joining me in the effort to bring attention to this issue. Across Upstate New York, we have a number of companies that employ thousands of workers in the medical device field, as well as Universities who actively pursue research and development in this field. Health care reform is critical, but as we consider deficit-neutral proposals to reform the industry, we must be aware of harmful unintended consequences."

Congressman Arcuri said: "I have met with many medical device manufactures across Upstate New York that provide our communities with good jobs and make state-of-the-art equipment that is vital to medical care. I join with my colleagues in supporting these local

businesses and keeping the tax on medical devices out of any healthcare reform legislation so that we can benefit both the manufactures and the patients that desperately need the technology created by these companies across Upstate New York."

Congressman Murphy said: "A tax on medical device companies, many of which are small businesses, could potentially cripple the medical device industry, costing thousands of New Yorkers their jobs, and drastically reducing our nation's ability to provide the best possible medical care. We must focus on ways to cut costs from the system without stifling the research and development that lies at the heart of American innovation"

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